



# AmeriCorps IN Action

## National Service Offers Many Options for College Debt Relief

The following article was written by Elizabeth Kountze for *Kiplinger's Personal Finance Magazine*.



New grads who want to change the world often find that fighting poverty begins at home, as they contemplate their first measly paycheck and Kilimanjaro-size student loans. One solution: With assistance programs that repay student loans in return for work in underserved areas, you can do good and still make a big dent in that debt.

Brian McDonald's first job out of college, with a bank in Rochester, N.Y., followed a traditional career path in corporate finance. But when he was laid off several months later, he made a radical switch and became an AmeriCorps volunteer in Albuquerque. McDonald, 24, worked for a non-profit organization that makes micro loans to low-income entrepreneurs, primarily minorities and women. During his yearlong stint, he earned a stipend of less

than \$10,000. But thanks to AmeriCorps' loan-repayment education awards, he still managed to pay off 25% of his \$19,000 in student loans. Afterward, he began a career in community-development finance with the federal government.

### Less pay, more pay-back

Public-interest jobs in underserved areas generally pay lower salaries than comparable private work in more competitive locations. To recruit qualified workers, a number of programs -- mostly governmental -- offer loan-repayment assistance plans in return for a commitment of at least a year or two. Funding can change, so the number of awards fluctuates from year to year. To put your best foot forward, you'll need to send in your application early, be flexible about relocat-

ing and be committed. To qualify for full loan-repayment assistance, you must fulfill your entire service period.

The biggest and most diverse program is **AmeriCorps** ([www.americorps.org](http://www.americorps.org)), which offers more than 75,000 positions each year, including the highly competitive **Teach for America program**

([www.teachforamerica.org](http://www.teachforamerica.org)). As a corps member, you can defer your student loans and receive a taxable grant of \$4,725 per year for up to two years toward repaying them.

The **Peace Corps** ([www.peacecorps.gov](http://www.peacecorps.gov)), AmeriCorps' international cousin, has more than 7,000 volunteers working around the world in fields such as business development, health, agriculture and education. In return for a two-year commitment, you can defer your federal student loans. Perkins loan borrowers may have 15% of their loans forgiven for each year of

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service.

### Health care

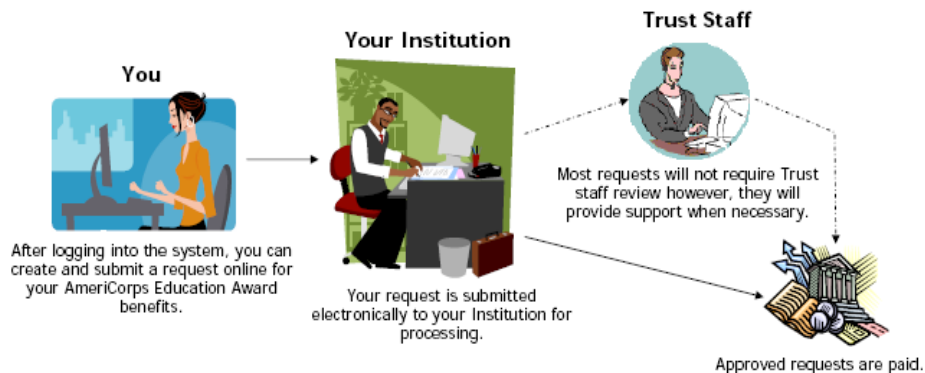
Brian Petrovich, 34, is a psychologist in Aurora, Mo., where 80% of his patients receive Medicaid. He earns about \$25,000 a year less than he could be making in a practice in Minneapolis, his hometown, where he would have fewer patients on public assistance. But over three years he has also earned \$85,000 toward student-loan repayment through the **National Health Service Corps** (<http://nhsc.bhpr.hrsa.gov>).

Each year the NHSC

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## CNCS Announces AmeriCorps Online Payment System

The Corporation for National and Community Service announces a new online payment system that will allow you to request your AmeriCorps Education Award payments and other benefits, such as Forbearance on student loans and Interest Accrual payments, completely online.



This new automated system will let you view the status of your requests, provide up to date information on your AmeriCorps Education Award balances, the history of your requests and even let you update your contact information online. The automated payment process and online system

will provide many benefits to you.

- No more paper.
- Track the status of your requests.
- Receive payments in less time.
- Easy access to help and information.

- Manage your account online.

Look for the new online system to be available for use early this fall. For more information, please visit [http://www.americorps.org/for\\_individuals/online/index.asp](http://www.americorps.org/for_individuals/online/index.asp).

## CNCS Welcomes New Director of AmeriCorps\*State and National

Kristin B. McSwain has been named Director of AmeriCorps\*State and National. "Having devoted her entire career to national service, Kristin brings an understanding of the relationships between communities, non-profits, and state governments that is essential to promoting service and volunteerism. Her experience will be crucial in our efforts to reach the next level of success with AmeriCorps," said David Eisner, CEO of the Corporation.

McSwain has spent her entire professional career in national and community service. She joined Teach for America after graduating from the College of



William and Mary, serving as a fifth grade teacher in St. Mary Parish, La. For the next six years, McSwain continued teaching and working to promote quality education through Teach for America and Citizen Schools. She has worked for the Massachusetts Service Alliance since 1997, initially directing Learn and Serve and AmeriCorps pro-

grams before her appointment as CEO. McSwain has been CEO of the Massachusetts Service Alliance since 2003.

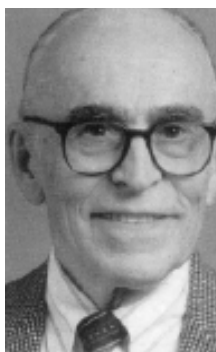
McSwain has been a strong advocate of community service and an active participant in many volunteer and charitable organizations. She has served on the boards of Boston Cares, Friends of the Children Boston, the GreenLight Fund, and Voices for National Service, of which she is co-chair. She received a master's degree in public administration from the John F. Kennedy School of Government at Harvard University. She will take office on Monday, August 7.

## AmeriCorps Member of the Month– Moses Beachy-HabiCorps

In March 2006, Moses Beachy began his term of service with the Habitat for Humanity of Elkhart County. As a member of HabiCorps, he serves in the ReStore helping with sales, inventory, and deconstruction projects. At eighty-two years, Moses brings a wealth of experience to his AmeriCorps service.

As an AmeriCorps member, Moses enjoys the opportunity to interact with the Spanish speaking population in Elkhart County. He states that his AmeriCorps service “fits with his life’s work.”

Moses has spent a lifetime in voluntary service work all over the world. He grew up Amish and joined the Mennonite Church at the age of 33. During World War II, he



*Moses Beachy,  
August 2006  
AmeriCorps  
member of the  
month.*

was granted conscientious objector status. As a result, Moses spent 22 months in Puerto Rico serving as an agricultural specialist.

After Moses married and earned a bachelor's and master's degree, he served in several posts with the Mennonite Church. He was as an English as Second Language teacher to children in Canada and Nicaragua. While in Nicaragua, he was also a peace mediator during the Contra conflict. Moses returned with his family to Puerto Rico and served as a missionary

with the Mennonite Central Committee for eight years.

In November 1969, Moses helped to found LaCasa, a housing organization in Elkhart County. Representatives from several churches in Goshen, Indiana formed the Spanish-American Committee (SAC), which would later become LaCasa. It helped to respond to the needs of the migrant farm workers in the Goshen area. He served as the first director of the board and executive director from 1976 through 1988. For more information about LaCasa, please visit

[www.lacasagoshen.org/](http://www.lacasagoshen.org/)

Before his wife's death in 2005, Moses was married for 55 years. He is also the father of five children.

## Program of the Month: Indiana HabiCorps

Since 2001, Indiana HabiCorps and AmeriCorps have worked to increase homeownership in the Hoosier State.

Habitat for Humanity places AmeriCorps members in host sites around the state. AmeriCorps members have assisted in building and renovating 80 affordable houses each year. Members recruit, train and lead community volunteers to support this effort. AmeriCorps members will serve as volunteer coordinators, construction



*HabiCorps volunteers assist families  
across the Indiana in achieving  
home ownership*

coordinators, or family support coordinators. Members will assist partner families, lead volunteers, and manage construction activities. Volunteer mobilization results in a 10% increase in the number of community volun-

teers serving at each affiliate.



Indiana HabiCorps utilizes forty-five AmeriCorps members each year. AmeriCorps members are placed at sites in Bloomington, Indianapolis, Muncie, LaPorte, South Bend, Goshen, Huntington, Lafayette, Martinsville, and Westfield. For more information about Indiana HabiCorps, please visit [www.habitatindiana.org](http://www.habitatindiana.org).

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pays 4,000 health-care professionals to work in underserved communities. Health-care professionals qualify for loan-repayment assistance of up to \$50,000 for a two-year commitment. But as in Petrovich's case, the agency may encourage practitioners to stick around by continuing financial support even after the initial service period ends.

In return for a two-year stint in areas where there's a shortage of nurses, RNs can wipe out 60% of their student-loan balances with awards from the **Nursing Education Loan Repayment Program** ([http://nhsc.bhpr.hrsa.gov/members/loan\\_repayors](http://nhsc.bhpr.hrsa.gov/members/loan_repayors)). In addition, 38 states offer loan-repayment programs to retain primary-care personnel. And some private hospitals use loan repayment as a recruiting tool. For information on health-related programs, go to the **Bureau of Health Professions** (<http://bhpr.hrsa.gov>).

The National Institutes of Health offers up to \$35,000 per year in loan-repayment aid to researchers with doctoral-level degrees who study clinical, pediatric, infertility and health-disparities topics.

### Lawyers

As a lawyer with the Legal Assistance Foundation of Metropolitan Chicago, 28-year-old Renai Rodney gives free legal advice to low-income-housing tenants facing relocation. Equal Justice Works pays \$37,500 of her \$42,000 annual salary and will also give her \$14,500 in assistance this year to help pay off her student loans. As a bonus, says Rodney, "I've gotten more litigation experience than I would have in a large firm." About 90 law schools give loan-repayment awards to graduates who work in public service or other low-paying fields.

### Teachers

Once you have taught full-time for five consecutive years in an ele-

mentary or high school that's been designated as serving children from low-income families, the Department of Education will let you cancel up to \$5,000 (and in a few cases up to \$17,500) in federal Stafford or direct loans. You may also qualify to have 100% of your Perkins loans forgiven if you're a full-time teacher of low-income students or are in a field where teachers are scarce.

[www.ed.gov](http://www.ed.gov)

### Government

To recruit and retain highly skilled employees, some federal agencies, including the departments of State ([www.state.gov](http://www.state.gov)) and Justice and the Securities and Exchange Commission ([www.usdoj.gov](http://www.usdoj.gov))

, offer employees a maximum of \$10,000 per year (up to a total of \$60,000) in student-loan repayment. Enlisting in the Army National Guard qualifies you for \$3,000 a year in student-loan forgiveness, up to a total of \$20,000.

## August 2006: Important Dates

August 10 , 2006 PER due for period ending July 31, 2006

August 17 -18, 2006 2006-2007 Program Directors' Training  
Indianapolis, IN



Office of Faith-Based and  
Community Initiatives

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